

**REPORT NO: 452**

**REBATE OF DUTY ON CERTAIN FABRICS  
FOR THE MANUFACTURE OF  
UPHOLSTERED FURNITURE**

The International Trade Administration Commission of South Africa herewith presents its  
**Report No. 452: Rebate of duty on certain fabrics for the manufacture of upholstered furniture**



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**SIYABULELA TSENGIWE**  
**CHIEF COMMISSIONER**

PRETORIA

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**REPUBLIC OF SOUTH AFRICA**

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA**

**REPORT NO. 452**

**REBATE OF DUTY ON CERTAIN FABRICS FOR THE MANUFACTURE OF UPHOLSTERED FURNITURE**

**SYNOPSIS**

Bravo Group Manufacturing (Pty) Ltd applied for the creation of rebate provisions for:

- Other woven fabrics containing 85 per cent or more by mass of non – textured polyester filaments, classifiable in tariff subheading 5407.61 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Chenille fabrics, classifiable in tariff subheading 5801.36 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Other textile fabrics impregnated, coated or covered or laminated with polyurethane, classifiable in tariff subheading 5903.20.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Other rubberized textile fabrics, classifiable in tariff subheading 5906.99.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01; and
- Textile fabrics otherwise impregnated, coated or covered, classifiable in tariff subheading 5907.00.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01.

The Commission found that there are SACU manufacturers for products classifiable under tariff subheadings 5906.99.90 and 5801.36, and that duty relief in the form of a rebate provision would erode the support and encouragement afforded to the domestic textile manufacturing industry.

However, the Commission found that the products classifiable under tariff subheadings 5407.61, 5907.00.90 and 5903.20.90 are not manufactured domestically. The recommended rebate of duty provisions would appreciably reduce manufacturing costs and would enable the industry manufacturing upholstered furniture to increase its production and domestic market share.

The rebate provisions will be made subject to a permit issued by ITAC and will be strictly controlled to monitor the growth in production, employment and investment.

## THE APPLICATION AND TARIFF POSITION

Bravo Group Manufacturing (Pty) Ltd, applied for the creation of rebate provisions for:

- Other woven fabrics containing 85 per cent or more by mass of non – textured polyester filaments, classifiable in tariff subheading 5407.61 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Chenille fabrics, classifiable in tariff subheading 5801.36 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Other textile fabrics impregnated, coated or covered or laminated with polyurethane, classifiable in tariff subheading 5903.20.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01;
- Other rubberized textile fabrics, classifiable in tariff subheading 5906.99.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01; and
- Textile fabrics otherwise impregnated, coated or covered, classifiable in tariff subheading 5907.00.90 for use in the manufacture of upholstered furniture classifiable in tariff heading 94.01.

As reasons for the application, the applicant stated that the abovementioned intermediate products are not produced in the SACU and that the current rate of duty is a disadvantage, especially in the face of stiff competition experienced from foreign manufacturers of upholstered furniture.

The application was published in the Government Gazette on 19 April 2013, for comments by interested parties.

